SIYATHEMBA LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2009

SIYATHEMBA LOCAL MUNICIPALITY
INDEX TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

INDEX	**Page**
General information	1 - 2
Statement of Financial Position	3
Statement of Financial Performance	4
Statement of changes in Net Assets	5
Cash flow statement	6
Accounting Policies	7- 13
Notes to the financial statements	14 - 28
Annexures:	
Appendix A: Schedule of External Loans	29
Appendix B: Analysis of Property, Plant and equipment	30
Appendix E (1) : Actual versus Budget (Revenue and Expenditure)	31
Appendix E (2): Actual versus Budget (Acquisition of Property, Plant and equi	32
Appendix F: Grants	33

GENERAL INFORMATION

Grading of the Municipality	Medium Capacity
Registered address	Victoria Street Prieska 8940
Postal address	P. O. Box 16 Prieska 8940
Auditors	The Auditor - General
Bankers	ABSA Bank

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these financial statements, which are set out on page 3 to 35, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 14 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Goverment's determination in accordance with this Act.

Municipal Manager
GJ BESSIES

Date

MAYOR

Mrs E Nell

SPEAKER

Mrs E Nell

MEMBERS OF THE COUNCIL

A Faro
S Berends
J Gous
K Yola
GP Mackay
NJ Burger
J Phillips

SIYATHEMBA LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2009

	Notes	**2009** **R**	2008 R
NET ASSETS AND LIABILITIES			
Net assets		**141 408 404**	145 718 619
Capital Replacement Reserve			
Government Grant Reserve		**28 360 402**	28 974 200
Accumulated Surplus/(Deficit)		**113 048 002**	116 744 419
Non-current liabilities			
Long - term liabilities	2	**0**	206 067
Current liabilities		**9 371 646**	9 141 803
Current provisions	4	**19 519**	-
Leave pay	3	**693 968**	629 839
Creditors	3	**6 319 910**	3 997 242
Consumer Deposits	3	**339 526**	299 700
Unspent conditional grants and receipts	5	**57 103**	242 851
Bank overdraft	12	**-**	2 713 182
VAT	3	**1 497 167**	-
Current portion of long-term liabilities	2	**463 972**	1 258 989
Total net assets and liabilities		**150 780 050**	155 066 489
Assets			
Non-current assets		**145 868 714**	152 885 898
Property, plant and equipment	6	**145 743 618**	150 233 763
Investments	7	**-**	2 516 882
Long - term receivables	8	**125 096**	135 253
Current assets		**4 911 336**	2 180 591
Inventory	9	**171 914**	176 536
Consumer debtors	10	**3 083 541**	1 416 467
Other debtors	11	**632 641**	576 538
Current portion of long-term debtors	8	**10 554**	9 790
Cash and cash equivalents	7	**1 012 686**	1 260
Total assets		**150 780 050**	155 066 489

SIYATHEMBA LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	**2009** **R**	2008 R
Revenue			
Property rates	19.1	**4 635 394**	3 974 855
Property rates - penalties imposed and collection char	19.1	**-**	91 189
Service charges	19.2	**15 948 134**	13 402 651
Rental of facilities and equipment		**714 622**	435 826
Interest earned - external investments		**211 717**	147 958
Interest earned - outstanding debtors		**641 613**	497 817
Fines		**86 395**	60 620
Licences and permits		**-**	751 347
Government grants and subsidies	13	**11 013 927**	12 242 992
Other income	19.3	**22 894**	150 156
Public contributions and donations		**-**	-
Income: Agency services		**481 097**	-
Total Revenue		**33 755 793**	31 755 411
EXPENDITURE			
Employee related costs	14	**15 113 377**	12 499 191
Remuneration of Councillors	15	**1 181 584**	939 291
Bad debts		**1 998 501**	-
Collection costs		**-**	-
Depreciation	6	**4 597 977**	9 463 193
Repairs and maintenance		**1 974 405**	1 788 922
Interest paid		**471 364**	403 137
Bulk purchases	19.4	**4 194 537**	3 134 483
Contracted services		**-**	-
Grants and subsidies paid		**3 846 570**	-
General expenses	19.5	**4 687 694**	14 087 920
Loss on disposal of property, plant and equipment		**-**	-
Total Expenditure		**38 066 009**	42 316 137
SURPLUS/(DEFICIT) FOR THE YEAR		**(4 310 215)**	(10 560 726)

Refer to Appendix E(1) for the comparison with the approved budget

SIYATHEMBA LOCAL MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30 JUNE 2009

	Pre-GAMAP Reserves	Capital Replacement Reserve	Government Grant Reserve	Accumulated Surplus/(Deficit)	TOTAL
2008					
Balance at 1 July 2007	-	-	-	128 879 935	128 879 935
Correction of error (Note 27)			29 505 824	(29 505 824)	-
Correction of error (Note 26)				31 260 672	31 260 672
Correction of error (Note 25)	-	-	-	(3 861 262)	(3 861 262)
Restated Balance	**-**	**-**	**29 505 824**	**126 773 521**	**156 279 345**
Surplus/(deficit) for the year				(10 560 726)	(10 560 726)
Capital grants used to purchase PPE					-
Donated/contributed PPE					-
Offsetting of depreciation			(531 624)	531 624	-
Balance at 30 June 2008			28 974 200	116 744 419	145 718 619
					-
2009					
Correction of error (Note ?)				-	-
Restated balance					-
Surplus/(deficit) for the year				(4 310 215)	(4 310 215)
Capital grants used to purchase PPE					-
Donated/contributed PPE					-
Asset disposals					-
Offsetting of depreciation			(613 798)	613 798	-
Balance at 30 June 2009			**28 360 402**	**113 048 002**	**141 408 404**

SIYATHEMBA LOCAL MUNICIPALITY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	**2009** **R**	2008 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers,government and others		**33 755 793**	31 755 411
Cash paid to suppliers and employees		**30 952 992**	27 465 333
Cash generated from / (required by) operating activities	23	**2 802 801**	4 290 078
Interest received		**641 613**	**497 817**
Interest paid		**(471 364)**	**(403 137)**
NET CASH FROM OPERATING ACTIVITIES		**2 973 050**	4 384 758
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on disposal of property, plant and equipment		-	-
Proceeds from rental of facilities and equipment		714 622	435 826
Purchase of property, plant and equipment		(107 832)	(4 392 913)
(Increase)/decrease in non current investments		2 516 882	(235 877)
Decrease in long term receivables		10 157	62 348
NET CASH FROM INVESTING ACTIVITIES		**3 133 829**	(4 130 616)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of capital element of interest bearing borrowings		(1 001 084)	(1 090 486)
Increase in consumer deposits		39 826	-
NET CASH FROM FINANCING ACTIVITIES		**(961 258)**	(1 090 486)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALEN		**3 724 608**	(836 344)
Balance at the beginning of the year		(2 711 922)	(1 875 578)
Balance at the end of the year		1 012 686	(2 711 922)
		2 973 050	(4 384 758)

SIYATHEMBA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost basis unless otherwise stated. Under this basis the effects of transactions and other events are recognised when they occur and are recorded in the financial statements within the period to which they relate. Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by an accounting standard.

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) prescribed by the Minister of Finance in terms of General Notices 991 of 2005 and General Notice 516 of 2008.

These standards are summarised as follows:

GRAP 1: Presentation of financial statements.
GRAP 2: Cash flow statements.
GRAP 3: Accounting policies, changes in accounting estimates and errors.
GRAP 4: The effects of changes in foreign exchange transactions.
GRAP 5: Borrowing costs.
GRAP 6: Consolidated and separate financial statements.
GRAP 7: Investments in associates.
GRAP 8: Interests in joint ventures.
GRAP 9: Revenue from exchange transactions.
GRAP 10: Financial reporting in hyperinflationary economies
GRAP 11: Construction contracts.
GRAP 12: Inventories.
GRAP 13: Leases.
GRAP 14: Events after reporting date.
GRAP 16: Investment property.
GRAP 17: Property, plant and equipment.
GRAP 19: Provisions, contingent liabilities, and contingent assets.
GRAP 100: Non-current assets held for sale and discontinued operations.
GRAP 101: Agriculture.
GRAP 102: Intangible assets.

Accounting policies for material transactions, events or conditions not covered by the above GRAP have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such statements issued by the Accounting Practices Board.

The accounting framework for 2008/09
There are no general exemptions from specific standards or aspects of accounting standards and the Municipality comply with the accounting framework set out in Directive 5 of the Accounting Standards Board.

SIYATHEMBA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

A summary of the significant accounting policies, which have been consistently applied, is disclosed below.

1.2 Presentation currency

These annual financial statements are presented in South African Rand.

1.3 Going concern assumption

These annual financial statements have been prepared on a going concern basis.

1.4 Comparative information

Budget information, in accordance with GRAP 1, has been provided in an annexure to these financial statements and forms part of the audited annual financial statements.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly

1.5 Reserves

1.5.1 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government grants reserve equal to the Government grant recorded as revenue in the Statement of Financial Performance in accordance with GRAP 24 Presentation of Budget information in Financial Statements issued by National Treasury in November 2007.

When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit).
The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment financed through a government grant is disposed off, the balance in the Government grant reserve relating to the item is transferred to the accumulated surplus/(deficit).

1.5.2 *Donations and public contributions*

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with GRAP 24 Presentation of Budget information in Financial Statements issued by National Treasury in November 2007.

When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit).When an item of property, plant and equipment financed from donations and public contributions is disposed of, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

1.5.3 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a Revaluation Reserve. The revaluation reserve is realised as re-valued assets are depreciated, through a transfer from the Revaluation Reserve to the accumulated surplus/(deficit).

On disposal, the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on re-valued amounts, are credited or charged to the Statement of Financial Performance.

1.6 Financial Instruments

Recognition
Financial instruments are initially recognised at fair value.

Financial assets and financial liabilities are recognised on the Municipality's balance sheet when the Municipality becomes a party to the contractual provisions of the instrument.

All regular way purchases and sales of financial assets are initially recognised using trade date accounting.

Measurement
Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

The Municipality's principal financial assets are accounts receivable and cash and cash equivalents.

Receivables

Other receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Management is of the opinion that all receivables outstanding over 90 days are not recoverable and therefore the appropriate allowances for the estimated irrecoverable amounts are provided for as doubtful receivables.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Equity instruments

Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

The Municipality's financial liabilities are interest bearing financial lease liabilities and accounts payable.

All financial liabilities are measured at amortised cost, comprising original debt less principal payments and amortisations, except for financial liabilities held-for-trading and derivative liabilities, which are subsequently measured at fair value.

1.7 Employee Benefits

The Municipality provides retirement benefits for its employees and councillors. Contributions to defined contribution retirement plans are recognised as an expense when employees and councillors have rendered the employed service or served office entitling them to the contribution. In the absence of a Statement of GRAP on Employee Benefits, the municipality discloses the employee benefits as per IAS 19.

The defined benefits funds, which are administered on a provincial basis, are actuarially valued trennially on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

Post-retirement medical benefits

A provision is maintained in respect of the liability to employees relating to post-retirement benefits, such as medical aid contributions

SIYATHEMBA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1.8 Revenue recognition

1.8.1 Revenue from Exchange Transactions

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue arising from the application of the approved tariff of charges is generally recognised when the relevant service is rendered.

Interest and rental are recognised on a time proportion basis.

1.8.2 Revenue from non-exchange transactions

Revenue from rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Interest on unpaid rates is recognised on a time proportion basis.

Government grants are recognised as revenue when all conditions associated with the grant have been met. Where grants have been received but the municipality has not met the condition, a liability is raised.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been me, a liability is recognised.

Revenue from the recovery of unauthorized, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognized when the recovery thereof is virtually certain.

Unauthorised expenditure
Unauthorized expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure
Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorized expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Fruitless and wasteful expenditure
Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.9.1 Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality.

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over the shorter of the lease term or its estimated useful life. Lease payments are allocated between the finance lease costs and the capital repayment expensed as they become due.

1.10 Inventories

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value.

1.11 Cash and Cash Equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

1.12 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, except land and buildings which is re-valued as indicated. Land is not depreciated as it is deemed to have an infinite life.

The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs

Where an item of property, plant and equipment is acquired at no cost, it is initially recognised at its fair value as at the date of acquisition. Incomplete construction work is stated at historical cost and depreciated only when the asset is ready for its intended use.

Depreciation is calculated on cost, using the straight line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:-

Community Assets	Years
Recreational Facilities	30-50
Other Assets:	
Furniture & Fittings	3-10
Office Equipment	3-10
Plant & Equipment	3-10
Vehicles	5

The gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Review of useful lives
The useful lives of assets have been reviewed..

Review of depreciation method
The depreciation method was reviewed but no changes were necessary.

Impairment of non-cash generating assets
The assets in question were assessed for possible impairment.

1.13 Provisions

Provisions are recognized when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate.

1.14 Value Added Tax

The Municipality accounts for Value Added Tax on the payment basis.

		2009	2008
		R	R
1	**Accounting Policy**		
2	**LONG TERM LIABILITIES**		
	External loans	**463 972**	1 465 056
	Less: Current portion tranferred to current liabilities	**(463 972)**	(1 001 084)
	Total External Loans	**0**	463 972
	Refer to Appendix A for more detail on long-term liabilities.		
3	**CREDITORS**		
	Trade Creditors	**4 889 187**	2 133 013
	Leave pay	**693 968**	629 839
	Niekerkshoop Stormwater	**-**	771 788
	SARS Vat	**-**	992 248
	Consumer Deposits	**339 526**	299 700
	Deposits (Keys,Posters,City Hall)	**319**	5 957
	Salary Control	**514 309**	-
	Suspense Account - Medical Contributions	**-**	4 686
	Other Creditors	**541 155**	89 550
	Medical aid and UIF deductions	**374 941**	-
	Total Creditors	**7 353 405**	4 926 781
4	**CURRENT PROVISIONS**	**19 519**	-
	Provision for post-retirement medical benefit	**19 519**	-
	At the beginning of the year	**-**	-
	Contribution during the year	**19 519**	-
	Medical aid cost paid during the year	**-**	-
5	**UNSPENT CONDITIONAL GRANTS AND SUBSIDIES**		
	Niekerkshoop Behuising	**-**	(53 722)
	Lotto Funds	**76 070**	(17 628)
	Feasibility Studies	**-**	-
	District Aids Grant (Feasibility Study.)		73 137
	FMG Grant	**136 042**	85 064
	MSIG Grant	**(155 009)**	156 000
	Total (Transferred to Creditors)	**57 103**	242 851

		2009	2008
		R	R

6 **PROPERTY, PLANT AND EQUIPMENT**

Reconciliation of carrying value	**Infrastructure Assets**	**Community Assets**	**Other Assets**	**Total**
		R	**R**	**R**
1 July 2007				
Cost	-	-	-	175 368 911
Accumulated depreciation	-	-	-	56 395 820
Carrying value 30 June 2008	-	-	-	118 973 091
Correction of error (Note /)	120 762 757	**4 254 320**	**25 216 686**	**31 260 672**
Cost	124 435 821	4 457 248	25 844 200	(20 631 642)
Accumulated Depreciation	3 673 064	202 928	627 514	(51 892 314)
Restated carrying value 30 June 2008	**120 762 757**	**4 254 320**	**25 216 686**	**150 233 763**
Cost -	124 435 821	4 457 248	25 844 200	154 737 269
Depreciation	3 673 064	202 928	627 514	4 503 506
Acquisitions		-	**107 832**	**107 832**
Depreciation	3 751 278	202 928	**643 771**	**4 597 977**
Disposal		-	-	-
Write-offs		-		-
Carrying value 30 June 2009	**117 011 479**	**4 051 392**	**24 680 747**	**145 743 618**

7 **CASH AND CASH EQUIVELANTS**

Fixed deposits	**42 722**	2 516 882
Other deposits	-	-
Total Cash Investments	**42 722**	2 516 882
Absa - Acc.no.90 8560 2995 - Revolvingfund Investment	-	2 382 773
Absa - Acc.no.91 5884 5288 - Niekerkshoop Housing Investment	-	2 138
Absa - Acc.no.20 6645 1936 - Motor & Housingloans Investment	**41 722**	37 874
Absa - Acc.no.92 0404 6778 - Feasibility Study Investment	**1 000**	94 097
Absa - Acc.no.20 6642 0648 - Sportgrounds	-	-
Cash on Hand	**1 260**	1 260
(Revolvingfund Investment was held for surety for bankoverdraft in 2007/08.)	**43 982**	2 518 142

8 **LONG TERM RECEIVABLES**

Car loans	-	-
Housing loans	**135 650**	145 043
Less: Current portion transferred to current receivables	**(10 554)**	(9 790)
	125 096	135 253

CAR LOANS

Before the enactment of the MFMA senior staff were entitled to car loans and housing loans which attracted interest at 9.75 to 16.05% per annum and which were repayable over a maximum period of 20 years. The last loan will be repayable in the year 2023.

		2009	2008
		R	R
9	**INVENTORY**		
	Prepaid meters	3 778	0
	Consumable stores	171 914	176 536
		175 692	176 536
10	**CONSUMER DEBTORS**		-

As at 30 June 2009	**Gross Balances**	**Provision for Bad Debts**	**Net Balance**
Service Debtors			
Rates	6 247 592	**5 476 030**	771 562
Electricity	1 509 979	**1 143 446**	366 533
Water	4 235 679	**3 282 747**	952 932
Other	4 088 791	**3 096 277**	992 514
TOTAL	16 082 041	12 998 501	3 083 540

As at 30 June 2008	**Gross Balances**	**Provision for Bad Debts**	**Net Balance**
Service Debtors			
Rates	5 265 306	**4 947 922**	317 384
Electricity	372 900	**204 357**	168 543
Water	3 085 051	**2 333 487**	751 564
Other	3 693 210	**3 514 234**	178 976
TOTAL	12 416 467	11 000 000	1 416 467

	2009	2008
	R	R
Rates: Ageing		
Current (0 – 30 days)	**243 563**	217 643
31 - 60 Days	**160 745**	99 741
61 - 90 Days	**122 471**	106 862
91 - 120 Days	**118 626**	91 249
121 - 365 Days	**126 157**	4 749 811
+ 365 Days	**5 476 030**	-
TOTAL	6 247 592	5 265 306
Electricity, Water and Sewerage & Other: Ageing		
Current (0 – 30 days)	**1 075 053**	825 845
31 - 60 Days	**393 735**	271 859
61 - 90 Days	**342 662**	258 598
91 - 120 Days	**263 766**	257 379
121 - 365 Days	**312 000**	5 537 480
+ 365 Days	**7 447 233**	-
TOTAL	9 834 449	7 151 161

Summary of Debtors by Customer Classification 30 June 2009	**Consumers**	**Industrial/ Commercial**	**National and Provincial Government**
	R	**R**	**R**
Current (0 – 30 days)	**963 962**	68 496	286 157
31 - 60 Days	**438 313**	52 116	64 051
61 - 90 Days	**440 639**	9 496	14 996
91 - 120 Days	**366 178**	5 197	11 016
121 - 365 Days	**416 253**	10 650	11 253
+ 365 Days	**12 652 668**	110 809	159 785
Sub-total	**15 278 013**	**256 764**	**547 258**
Less: Provision for bad debts	**12 348 641**	207 533	442 328
Total debtors by customer classification	**2 929 372**	**49 231**	**104 930**

Summary of Debtors by Customer Classification 30 June 2008	**Consumers**	**Industrial/ Commercial**	**National and Provincial Government**
	R	**R**	**R**
Current (0 – 30 days)	**741 067**	249 423	52 998
31 - 60 Days	**377 025**	(4 458)	(966)
61 - 90 Days	**361 626**	13 274	(9 439)
91 - 120 Days	**334 021**	(2 270)	16 877
121 - 365 Days	**9 936 109**	168 796	182 385
+ 365 Days	**-**	-	-
Sub-total	**11 749 848**	**424 765**	**241 855**
Less: Provision for bad debts	**10 634 211**	166 527	199 262
Total debtors by customer classification	**1 115 637**	**258 238**	**42 593**

Reconciliation of the bad debt provision		
Balance at beginning of the year	11 000 000	4 000 000
Contributions to provision	2 000 000	7 009 065
Bad debts written off	1 499	9 065
Reversal of provision	-	-
Balance at end of year	12 998 501	11 000 000

11 **OTHER DEBTORS**

Vat Repayable	**-**	-
Meent Huurgelde	**216 912**	216 912
Unpaid Cheques	**312 733**	299 683
Deposit Paid (Sand, GWK,Eskom.)	**102 940**	59 943
Sundry debtors	**56**	0
TOTAL	**632 641**	576 538

12 **Current Account (Primary Bank Account)**
ABSA Bank - Public Sector Northern Cape - Brandwag, Bloemfontein
Account number: 4053552997

Cash book balance at beginning of year - (overdrawn)	**(2 713 182)**	1 864 339
Cash book balance at end of year - (overdrawn)	**968 704**	(2 713 182)
Bank statement balance at beginning of year - (overdrawn)	**(2 713 155)**	1 859 616
Bank statement balance at end of year - (overdrawn)	**954 327**	(2 713 155)

		2009	2008
		R	R
13	**GOVERNMENT GRANTS AND SUBSIDIES**		
	Equitable share	**9 518 896**	7 542 079
	Financial Management Grant	**449 022**	-
	MIG Grant	-	4 301 723
	Sport	-	120 000
	MSIG Grant	**1 046 009**	-
	Library	-	188 000
	Financial Management Grant(Capital)	-	91 190
	Less: Controlled by District Municipality	-	-
	Total Government Grant and Subsidies	**11 013 927**	12 242 992

13.1 Equitable Share

Balance unspent at beginning of year	-	-
Current year receipts	**9 518 896**	**7 542 079**
Conditions met - transferred to revenue	**(9 518 896)**	(7 542 079)
Conditions still to be met - transferred to current liabilities (see note 5)	-	-

The Equitable Share is an unconditional grant and is utilised to assist the local municipalities undertake service delivery

13.2 MIG

Balance unspent at beginning of year	-	362 276
Current year receipts	-	4 301 723
Conditions met - transferred to revenue	-	(4 663 999)
Conditions still to be met - not stated as District Council are in charge of funds	-	-

Only asset of R 4 301 723 was brought into account
This grant was used to construct the oxidation ponds in Prieska.

13.3 MSIG

Balance unspent at beginning of year	**156 000**	-
Current year receipts	**735 000**	734 000
Conditions met	**(1 046 009)**	(578 000)
Conditions still to be met - transferred to liabilities (see note 5)	**(155 009)**	156 000

The fund is used to assist the district in building capacity of the local municipalities to perform their functions and stabilise institutional and governance systems as required by the Municipal Systems Act of 2000 .

	2009	2008
	R	R
13.4 Financial Management Grant		
Balance unspent at beginning of year	**85 064**	327 148
Current year receipts	**500 000**	500 000
Conditions met	**(449 022)**	(742 084)
Conditions still to be met - transferred to liabilities (see note 5)	**136 042**	85 064

The grant was allocated by National Treasury to upgrade office equipment and training of personel.

13.5 District Aid Grants		
Balance unspent at beginning of year	73 137	350 000
Current year receipts	-	94 098
Conditions met	-	(370 961)
Conditions still to be met - transferred to liabilities (see note 5)	**73 137**	73 137

District Aid Grants was used to do a EIA study (Bosontwikkeling).

13.6 Spatial Development Grant		
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities (see note 5)	-	-

13.7 Changes in levels of government grants

Based on the allocations set out in the Division of Revenue Act, (Act of 2009), no significant changes in the level of government grant funding are expected over the forthcoming two financial years.

		2009	2008
		R	R
14	**EMPLOYEE RELATED COSTS**		
	Employee related costs - Salaries and Wages	**10 856 102**	7 817 937
	Employee related costs - Contributions for UIF, pensions and medical aids	**2 335 950**	1 895 873
	Travel, motor car and other allowances	**438 331**	228 904
	Housing benefits and allowances	**119 557**	80 975
	Overtime payments	**331 587**	328 967
	Bonusses	**1 031 850**	864 294
	Redemption of leave	**-**	-
	Total Employee Related Costs	**15 113 377**	11 216 950
	Remuneration of the Municipal Manager		
	Annual Remuneration	**351 800**	308 926
	Housing Subsidy	**21 000**	18 000
	Travelling Allowance	**140 140**	123 940
	Performance Bonuses	**29 900**	25 993
	Contributions to UIF, Medical and Provident Funds	**63 324**	39 944
	Total	**606 164**	516 803
	Remuneration of the Chief Financial Officer		
	Annual Remuneration	**330 409**	242 663
	Travelling and other Allowances	**102 386**	81 517
	Performance Bonuses	**29 634**	15 165
	Contributions to UIF, Medical and Provident Funds	**16 800**	33 263
	Total	**479 229**	372 608
	Remuneration of Head: Corporate Services		
	Annual Remuneration	**211 468**	244 572
	Travelling and other Allowances	**71 063**	94 028
	Performance Bonuses	**15 000**	20 381
	Contributions to UIF, Medical and Provident Funds	**32 400**	34 025
	Total	**329 931**	393 006
	Remuneration of Head: Infrastructure and Technical Services		
	Annual Remuneration	**273 600**	83 595
	Travelling Allowance	**84 300**	27 535
	Performance Bonuses	**22 800**	-
	Contributions to UIF, Medical and Provident Funds	**29 248**	12 614
	Total (4 Months)	**409 948**	123 744

		2009	2008
		R	R
15	**REMUNERATION OF COUNCILLORS**		
	Mayor	**178 804**	148 653
	Mayor Cell phone allowance	**15 244**	13 404
	Mayor Travel allowance	**62 884**	56 984
	Mayor Back Pay	**22 612**	3 907
	Councillors	**512 920**	423 647
	Councillors' pension contribution	**59 615**	-
	Councillors' Travel allowance	**203 094**	149 577
	Councillors' Back Pay	**59 833**	84 571
	Councillors' Cell phone allowance	**66 578**	58 548
	Total Councillors' Remuneration	**1 181 584**	939 291
16	**INTEREST PAID ON EXTERNAL BORROWINGS**		
	External loans	-	258 473
	Total Interest on External Borrowings	-	258 473
17	**GRANTS AND SUBSIDIES PAID**		
	Total Grants and Subsidies	-	-

The Municipality identifies projects which are funded through grants and subsidies in the various local municipalities within the District. Projects are identified through the Integrated Development Plan. The operation and control of items of property, plant and equipment funded through these grants and subsidies vests in the local municipalities.

		2009	2008
		R	R
18	**ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT**		
	Contributions to Local Government Organisation		
	Opening balance	-	39 432
	Current year's contibution	-	80 104
	Amount paid - current year	-	(80 104)
	Amount paid - previous years	-	(39 432)
	Balance unpaid	-	-
	Audit fees		
	Opening balance	**501 801**	585 416
	Current year's contibution	-	213 704
	Amount paid - current year	-	(297 319)
	Balance unpaid (included in creditors)	**501 801**	501 801
	VAT		
	Opening balance	**114 321**	(12 499)
	Current year input VAT	-	(1 563 551)
	Current year output VAT	-	1 690 371
	Amount paid (received) - previous year and corrections	-	-
	Balance unpaid (included in creditors)	**114 321**	114 321
	PAYE and UIF		
	Opening balance	-	108 912
	Current year payroll deductions	**1 022 499**	1 136 192
	Amount paid - current year	**(942 467)**	(1 136 192)
	Amount paid - previous years	-	(108 912)
	Balance unpaid (included in creditors)	**80 032**	-
	Pension and Medical Aid Deductions		
	Opening balance	-	307 647
	Current year payroll deductions and council contributions	**3 560 208**	3 253 602
	Amount paid - current year	**(3 265 299)**	(3 253 602)
	Amount paid - previous years	-	(307 647)
	Balance unpaid (included in creditors)	**294 909**	-

		2009	2008
		R	R
19	**DISCLOSURES IN RESPECT OF SERVICES**		
	19.1.Property Rates	**4 390 894**	3 923 066
	Penalties Property Rates	**-**	51 789
	19.2.Service Charges	**15 948 134**	13 493 840
	19.3.Other Income	**228 943**	150 156
	19.4.Bulk Purchases		
	Electric	**4 038 129**	3 027 742
	Water	**156 408**	106 741
		4 194 537	3 134 483
	19.5.General Expenses	**-**	14 087 920

20 **RETIREMENT BENEFIT INFORMATION**

The personnel are members of the Cape Joint Retirement Fund or the SAMWU Provident Fund or the National Fund for Municipal Workers or SALA. According to recent actuarial valuations all funds reflected an actuarial surplus.

The councillors are members of the Municipal Councillors Pension Fund.

21	**CONTINGENT LIABILITY**	**-**	-

22 **COMPARISON WITH THE BUDGET**

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexures E (1) and E (2).

		2009	2008
		R	R
23	**Cash generated by operations**		
	Reconciliation of net operating profit to cash generated in operations		
	Net operating profit/(loss)	**(4 310 215)**	(10 560 726)
	Adjusted for:		
	Depreciation	**4 597 977**	9 463 193
	Non operating income - rental received	**(714 622)**	(435 826)
	Interest earned	**(641 613)**	(497 817)
	Interest paid	**471 364**	403 137
	Bad debt provisioning	**1 998 501**	-
	Decrease in capital replacement reserve	-	9 782 746
	Prior year adjustments to reserves	-	-
	Changes in working capital:		
	(Decrease)/Increase in inventory	**(4 622)**	(15 481)
	(Decrease)/Increase in accounts receivable		(4 677 248)
	(Decrease)/Increase in accounts payable	**1 406 032**	828 100
		2 802 801	4 290 078
24	**CASH AND CASH EQUIVALENTS**		
	Balance at the beginning of the year		
	Balance at the end of the year		
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	-	-

	2009	2008
	R	R

25 CHANGE IN ACCOUNTING POLICY- IMPLEMENTATION OF GAMAP/GRAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GAMAP: -

25.1 Statutory Funds

Balance previously reported: -		
Revolving Fund		-
Trust Fund		-
Total		-
Implementation of GAMAP		
Transferred to the Capital Replacement Reserve		-
Transferred to the Capitalisation Reserve		-
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)		-
Transferred to the Housing Development fund		-
Transferred to the Covernment Reserves		-
Transferred to the Donation and Public contribution reserves		-
Total		-

25.2 Loans Redeemed and Other Capital Receipts

Balance previously reported		
Implementation of GAMAP		
Transferred to Government Grant Reserve		-
Transferred to Donations and Public Contribution Reserve		-
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)		-
Total		-

25.3 Provisions and Reserves

Balance previously reported		
Infrastructure Replacement Reserve		
Tariff Equalization Reserve		
Valuation Roll Reserve		
Staff Bursary Reserve		
Total		
Implementation of GAMAP		
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)		

25.4 Inventory

Balance previously reported		0
Implementation of GAMAP		
Transferred to Accumulated Surplus/(Deficit) (see 30.8 below)		
Water previously expensed now shown as inventory		
Write-down of spare parts to unauthoriz value		
Write-down of unsold properties to unauthoriz value		
Total		

	2009 **R**	2008 R
25.6 Property, plant and equipment		
Balance previously reported		0
Implementation of GAMAP		
Revaluation of assets - diffrence recordedto Accumulated Surplus/(Deficit) (see 30.8 below)		0
Total		0
25.7 Accumulated Depreciation		
Balance previously reported		NIL
Implementation of GAMAP		
Backlog depreciation: Community Services		0
Backlog depreciation: Subsidised Services		0
Backlog depreciation: Economic Services		0
Backlog depreciation: Sub Economical Housing		0
Backlog depreciation: Water		0
Backlog depreciation: Electricity		0
Total (debited to Accumulated Surplus/(Deficit)) (see 30.8 below)		-
25.8 Accumulated Surplus/(Deficit)		
Accumulated surplus at the beginning of the year		123 232 089
Implementation of GAMAP		1 786 584
Adjustments to inventory (see 30.4 above)		-
Excessive provisions and reserves no longer permitted (see 30.3 above)		-
Non-current provisions previously not □nauthoriz (see 30.5 above)		-
Transferred from statutory funds (see 30.1 above)		-
Transferred from Loans Redeemed and Other Capital Receipts (see 30.2 above)		-
Fair value of Property, Plant and Equipment correction (see 30.6 above)		-
Backlog depreciation (see 30.7 above)		-
Previous year adjustments		1 786 584
Net Surplus/(Deficit) for the year		-10 560 726
Accumulated surplus at the end of the year		**114 457 947**
26. CORRECTION OF ERROR	**2 009**	2 008
Adjustment of Property, plant and equipment with asset v FAR as at 30 June 2008		
Change in PPE at cost (credit)		20 631 642
Adjustment accumulated depreciation of previous years (debit)		51 892 314
Net adjustment to Accumulated Surplus (credit)		31 260 672
Net effect on surplus/(deficit) for the year		0
27. CORRECTION OF ERROR		
Establishment of Government Grant Reserve making use of FAR for 2008 based on Carrying value of assets funded by grants at 1 July 2007		
Accumulated surplus adjusted with transfer to Grant Reserve		29 505 824
Government Grant Reserve Established		29 505 824
Adjustment for offsetting of depreciation done in Statement of net assets for 2008		531 623

	2009	2008
	R	R

28. UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

Long-term liabilities (see Note 2)	-	-
Used to finance property, plant and equipment – at cost	-	-
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities (see note 17)	-	
Cash invested for repayment of long-term liabilities	-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

29. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

29.1 Unauthorised expenditure

Reconciliation of unauthorized expenditure		
Opening balance		
Unauthorised expenditure current year	0	0
Approved by Council or condoned		
Transfer to receivables for recovery (note 16)		
Unauthorised expenditure awaiting authorisation		

	2009	2008
	R	R
29.2 Fruitless and wasteful expenditure		
Reconciliation of fruitless and wasteful expenditure		
Opening balance	20 968	0
Fruitless and wasteful expenditure current year	**0**	20 968
Condoned or written off by Council	-	-
To be recovered – contingent asset (see note 40)	-	-
Fruitless and wasteful expenditure awaiting condonement	**20 968**	20 968

Incident
Interest and penalties paid on late submissi R 12 709.46
Interest paid on late payment of Creditors. R 8 258.81

29.3 Irregular expenditure		
Reconciliation of irregular expenditure		
Opening balance	20 168	0
Irregular expenditure current year	**0**	20 168
Condoned or written off by Council	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonement	**20 168**	20 168

Incident
Payment to GWK for goods bought on Credit by Luzuko Road Works.
The Municipality issued a financial guarantee for all goods delivered to Luzuko Road Works.

30. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

30.1 Councillor's arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days as at: -

30th June 2008	**Total**	**Outstanding less than 90 days**	**Outstanding more than 90 days**
	R	**R**	**R**
Councillors	9 739	5 202	4 537
Total Councillor Arrear Consumer Accounts	9 739	5 202	4 537

30th June 2009	**Total**	**Outstanding less than 90 days**	**Outstanding more than 90 days**
	R	**R**	**R**
Councillor G.P Mackay	7 541	2 084	5 457
Councillor J J Berends	715	700	15
Councillor J. Phillips	-385	0	0
Total Councillor Arrear Consumer Accounts	7 871	2 784	5 472

During the year the following Councillors' had arrear accounts outstanding for more than 90 days

30th June 2009		
Councillor J J Berends	15	90 days plus
Councillor G.P Mackay	5 457	90 days plus

	2009	2008
	R	R

30.2 Non-Compliance with Chapter 11 of the Municipal Finance Management Act

The Municipality has developed a supply chain management policy and it was implemented on 1 July 2006.

31. COMMITMENTS

Commitments in respect of capital expenditure:		
- Approved and contracted for		
Infrastructure	0	0
Community	0	0
Heritage	0	0
Other	0	0
Housing Development Fund	0	0
Investment Properties	0	0
Total	0	0
- Approved but not yet contracted for		
Infrastructure	4 085 000	4 085 000
Community	0	0
Heritage	0	0
Other	0	0
Housing Development	0	0
Investment Properties	0	0
Total	4 085 000	4 085 000
Commitments in respect of current expenditure:		
- Approved and contracted	0	187 650
This expenditure will be financed from:		
- External Loans	0	0
- Capital Replacement Reserve	0	0
- Government Grants	4 085 000	4 272 650
- Own resources	0	0
- District Council Grants	0	0
Total	4 085 000	4 272 650

32. RETIREMENT BENEFIT INFORMATION

Included in accounting policy

33. CONTINGENT LIABILITY

None

34. CONTINGENT ASSET

35. IN-KIND DONATIONS AND ASSISTANCE

The Municipality received the following in-kind donations and assistance

Description

None

36. PRIVATE PUBLIC PARTNERSHIPS

None

37. EVENTS AFTER THE REPORTING DATE

None

SIYATHEMBA LOCAL MUNICIPALITY

APPENDIX A

SCHEDULE OF EXTERNAL LOANS
AS AT 30 JUNE 2009

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 01/07/08	Received during the period	Redeemed written off during the period	**Balance at 30/06/09**	**Carrying Value of Property, Plant & Equip**	Other Costs in accordance with the MFMA
LONG-TERM LOANS			R	R	R	**R**	**R**	R
Loan @ 10%- DBSA Purchase of vehicles	25845	2009/06/30	841 983	-	617 482	**224 501**	-	-
Loan @ 10%-ABSA Bank - Resurfacing of roads	3009634209	2009/11/19	377 165	-	257 504	**119 661**	-	-
Loan @ 12.00%-ABSA Bank - Upgrading Electricity	3010141463	2010/04/30	245 908	-	126 098	**119 810**	-	-
Total long-term loans			1 465 056	0	1 001 084	**463 972**	-	-

SIYATHEMBA LOCAL MUNICIPALITY
APPENDIX B
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED 30 JUNE 2009

	COST				Accumulated Depreciation				Carrying Value
	Opening balance	Additions	Disposals	**Closing balance**	Opening balance	Depreciation	Disposals	**Closing balance**	
Property, Plant & Equipment									
Infrastructure Assets	124 435 821	-	-	**124 435 821** -	3 673 064	3 751 278	-	**7 424 342**	**117 011 479**
Community Assets	4 457 248	-	-	**4 457 248** -	202 928	202 928	-	**405 856**	**4 051 392**
Other Assets	25 844 200	107 832	-	**25 952 032** -	627 514 -	643 771	-	**1 271 285**	**24 680 747**
Total	154 737 269	107 832	-	154 845 101	4 503 506	4 597 977	-	9 101 483	145 743 618

SIYATHEMBA LOCAL MUNICIPALITY
APPENDIX E (1)
ACTUAL VERSUS BUDGET: REVENUE AND EXPENDITURE

	2009 Actual (R)	2009 Budget (R)	2009 Variance (R)	2009 Variance (%)
REVENUE				
Property rates	4 635 394	4 787 181	(151 787)	-0.03
Property rates - penalties imposed and collection charg	-	-		
Service charges	15 948 134	15 412 471	535 663	0.03
Rental of facilities and equipment	714 622	472 000	242 622	0.51
Interest earned - external investments	211 717	165 000	46 717	0.28
Interest earned - outstanding debtors	641 613	550 000	91 613	0.17
Fines	86 395	75 600	10 795	0.14
Licences and permits	-	-	-	0.00
Government grants and subsidies	11 013 927	11 029 262	(15 335)	0.00
Other income	22 894	223 702	(200 808)	-0.90
Public contributions, donated/contributed PPE	-	-	-	0.00
Income: Agency services	481 097	685 250	(204 153)	-0.30
Total Revenue	**33 755 793**	**33 400 466**	**355 327**	**0.01**
EXPENDITURE				
Executive & Council	6 544 441	2 284 536	4 259 905	1.86
Finance & Admin	10 565 080	8 377 048	2 188 032	0.26
Planning & Development	4 025 487	4 882 681	(857 194)	-0.18
Health		-	-	0.00
Community & Social Services	810 596	349 303	461 293	1.32
Housing	16 671	-	16 671	0.00
Public Safety	1 550 280	105 210	1 445 070	13.74
Sport & Recreation	771 458	955 284	(183 826)	-0.19
Environmental Protection	1 999 501	2 541 503	(542 002)	-0.21
Waste Management	3 462 429	3 497 652	(35 223)	-0.01
Road Transport	-	-	-	0.00
Water	2 968 161	3 446 055	(477 894)	-0.14
Electricity	5 351 905	5 272 844	79 061	0.01
Other	-	-	-	0.00
Less Inter-Departmental Charges	-	-	-	0.00
Loss on disposal of property, plant and equipment	-	-	-	0.00
Total Expenditure	**38 066 009**	**31 712 116**	**6 353 893**	0.20
NET SURPLUS/(DEFICIT) FOR THE YEAR	**(4 310 216)**	**1 688 350**	**6 709 220**	**3.97**

APPENDIX E (2)

ACTUAL VERSUS BUDGET: ACQUISITION OF PROPERTY,PLANT AND EQUIPMENT

	2009 Actual	2009 Under Construction	2009 Total Additions	2009 Budget	2009 Variance	2009 Variance
	R	R	R	R	R	%
Executive & Council	107 832	-	107 832	107 832	-	0.00
Finance & Admin	-	-	-	-	-	0.00
Planning & Development	-	-	-	-	-	0.00
Health	-	-	-	-	-	0.00
Community & Social Servi	-	-	-	-	-	0.00
Public Safety	-	-	-	-	-	0.00
Sport & Recreation	-	-	-	-	-	0.00
Environmental Protection	-	-	-	-	-	0.00
Waste Management	-	-	-	-	-	0.00
Road Transport			-	-	-	0.00
Water	-		-	-	-	0.00
Electricity			-	-	-	0.00
Other	-	-	-	-	-	0.00
TOTAL	**107 832**	**-**	**107 832**	**107 832**	**-**	**0.00**

APPENDIX F
SIYATHEMBA LOCAL MUNICIPALITY
DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grants and Subsidies received: 2008/2009

Name of Grants	Name of organ of state or municipal entity	Total Receipts for the Year	Total Expenditure for the Year	Delay \ withheld	Gazette amount Municipal year	Reason for delay/ withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		Total	Total	Total	Total		Yes / No	
Equitable Share	DPLG	9 518 896	9 518 896	0	9 518 896	None	Not Applicable	None
Financial Management Grant	National Treasury	500 000	449 022	0	500 000	None	Yes	None
Systems Improvement Grant	DPLG	735 000	1 046 009	0	735 000	None	Yes	None
District aid grants	Provincial	0	0	0	0	None		
MIG Grant	DPLG	0	0	0	0	None		
Miscellaneous Receipts	Lotto funda	0	0	0	0	None		
		10 753 896	11 013 927	0	10 753 896			

Equitable Share shown as expended in order that total grant expenditure recognised as revenue balance with Note 12